

By Kenneth H. Ambush

5 J.R. No. 34

A JOINT RESOLUTION

1 proposing a constitutional amendment relating to the authority of
2 the legislature to provide by general or special law for the
3 creation, establishment, maintenance, and operation of a hospital
4 district.

5 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Article IX, Section 9, of the Texas Constitution
7 is amended to read as follows:

8 Sec. 9. The Legislature may by general or special law
9 provide for the creation, establishment, maintenance and operation
10 of hospital districts composed of one or more counties or all or
11 any part of one or more counties with power to issue bonds for the
12 purchase, construction, acquisition, repair or renovation of
13 buildings and improvements and equipping same, for hospital
14 purposes; providing for the transfer to the hospital district of
15 the title to any land, buildings, improvements and equipment
16 located wholly within the district which may be jointly or
17 separately owned by any city, town or county, providing that any
18 district so created shall assume full responsibility for providing
19 medical and hospital care for its needy inhabitants and assume the
20 outstanding indebtedness incurred by cities, towns and counties for
21 hospital purposes prior to the creation of the district, if same
22 are located wholly within its boundaries, and a pro rata portion of
23 such indebtedness based upon the then last approved tax assessment
24 rolls of the included cities, towns and counties if less than all

1 the territory thereof is included within the district boundaries;
2 providing that after its creation no other municipality or
3 political subdivision shall have the power to levy taxes or issue
4 bonds or other obligations for hospital purposes or for providing
5 medical care within the boundaries of the district; providing for
6 the levy of annual taxes at a rate not to exceed seventy-five cents
7 (75¢) on the One Hundred Dollar valuation of all taxable property
8 within such district for the purpose of meeting the requirements of
9 the district's bonds, the indebtedness assumed by it and its
10 maintenance and operating expenses, providing that such district
11 shall not be created or such tax authorized unless approved by a
12 majority of the qualified voters [~~property--taxpaying--electors~~]
13 thereof voting at an election called for the purpose; and providing
14 further that the support and maintenance of the district's hospital
15 system shall never become a charge against or obligation of the
16 State of Texas nor shall any direct appropriation be made by the
17 Legislature for the construction, maintenance or improvement of any
18 of the facilities of such district.

19 Provided, however, that no district shall be created by
20 special law except [~~by act of the Legislature and then only~~] after
21 thirty (30) days' public notice to the district affected, and in no
22 event may the Legislature provide for a district to be created
23 without the affirmative vote of a majority of the qualified
24 [~~taxpaying~~] voters in the district concerned.

25 The Legislature may also provide for the dissolution of
26 hospital districts provided that a process is afforded by statute
27 for:

1 (1) determining the desire of a majority of the
2 qualified voters within the district to dissolve it;

3 (2) disposing of or transferring the assets, if any,
4 of the district; and

5 (3) satisfying the debts and bond obligations, if any,
6 of the district, in such manner as to protect the interests of the
7 citizens within the district, including their collective property
8 rights in the assets and property of the district, provided,
9 however, that any grant from federal funds, however dispensed,
10 shall be considered an obligation to be repaid in satisfaction and
11 provided that no election to dissolve shall be held more often than
12 once each year. In such connection, the statute shall provide
13 against disposal or transfer of the assets of the district except
14 for due compensation unless such assets are transferred to another
15 governmental agency, such as a county, embracing such district and
16 using such transferred assets in such a way as to benefit citizens
17 formerly within the district.

18 SECTION 2. This proposed constitutional amendment shall be
19 submitted to the voters at an election to be held on November 7,
20 1989. The ballot shall be printed to provide for voting for or
21 against the proposition: "Authorizing the legislature to provide
22 by general or special law for the creation, establishment,
23 maintenance, and operation of a hospital district."

By: Armbrister S.J.R. No. 34
(In the Senate - Filed March 6, 1989; March 7, 1989, read first time and referred to Committee on State Affairs; March 21, 1989, reported adversely, with favorable Committee Substitute by the following vote: Yeas 10, Nays 1; March 21, 1989, sent to printer.)

COMMITTEE VOTE

	Yea	Nay	PNV	Absent
Montford	x			
Henderson	x			
Armbrister	x			
Caperton	x			
Edwards	x			
Glasgow				x
Green	x			
Harris	x			
Leedom	x			
Lyon		x		
McFarland	x			
Parmer	x			
Washington				x

COMMITTEE SUBSTITUTE FOR S.J.R. No. 34

By: Armbrister

SENATE JOINT RESOLUTION

proposing a constitutional amendment relating to the authority of the legislature to provide by general or special law for the creation, establishment, maintenance, and operation of a hospital district.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article IX, Section 9, of the Texas Constitution is amended to read as follows:

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1 Provided, however, that no district shall be created by
 2 special law except [~~by act of the Legislature and then only~~] after
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 4 event may the Legislature provide for a district to be created
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 8 hospital districts provided that a process is afforded by statute
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10 (1) determining the desire of a majority of the
 11 qualified voters within the district to dissolve it;

12 (2) disposing of or transferring the assets, if any,
 13 of the district; and

14 (3) satisfying the debts and bond obligations, if any,
 15 of the district, in such manner as to protect the interests of the
 16 citizens within the district, including their collective property
 17 rights in the assets and property of the district, provided,
 18 however, that any grant from federal funds, however dispensed,
 19 shall be considered an obligation to be repaid in satisfaction and
 20 provided that no election to dissolve shall be held more often than
 21 once each year. In such connection, the statute shall provide
 22 against disposal or transfer of the assets of the district except
 23 for due compensation unless such assets are transferred to another
 24 governmental agency, such as a county, embracing such district and
 25 using such transferred assets in such a way as to benefit citizens
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27 SECTION 2. This proposed constitutional amendment shall be
 28 submitted to the voters at an election to be held on November 7,
 29 1989. The ballot shall be printed to provide for voting for or
 30 against the proposition: "The constitutional amendment granting to
 31 the people the right to decide whether to create hospital districts
 32 to protect the public well-being in a manner independent of the
 33 legislature."

34 * * * * *

35 Austin, Texas
 36 March 21, 1989

37 Hon. William P. Hobby
 38 President of the Senate

39 Sir:

40 We, your Committee on State Affairs to which was referred S.J.R.
 41 No. 34, have had the same under consideration, and I am instructed
 42 to report it back to the Senate with the recommendation that it do
 43 not pass, but that the Committee Substitute adopted in lieu thereof
 44 do pass and be printed.

45 Montford, Chairman

LEGISLATIVE BUDGET BOARD

Austin, Texas

MAR 20 1989

FISCAL NOTE

March 20, 1989

TO: Honorable John T. Montford, Chairman
Committee on State Affairs
Senate Chamber
Austin, Texas

In Re: Senate Joint
Resolution No. 34
By: Armbrister

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 34 (proposing a constitutional amendment relating to the authority of the Legislature to provide by general or special law for the creation, establishment, maintenance, and operation of a hospital district) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would amend Article IX of the Constitution to authorize the Legislature to create hospital districts by general or special law. The proposed amendment would be submitted to the voters on November 7, 1989.

The cost of publication of the resolution to the State is estimated to be \$60,000.

The resolution would be implemented by a statute such as Senate Bill No. 907 which authorizes local hospital districts to be created by action of a county commissioners court. The estimates below assume that 10 percent of the counties currently covered by the County Indigent Health Care Program (CIHP) would convert to hospital districts and would have eligibility criteria which parallels the eligibility criteria of the CIHP. The actual fiscal implication would be dependent upon the actions of the affected county commissioners courts.

The probable savings from implementing the provisions of the resolution during each of the first five years following passage is estimated as follows:

<u>Fiscal Year</u>	<u>Probable Savings to the General Revenue Fund</u>
1990	\$ -0-
1991	928,259
1992	993,237
1993	1,062,763
1994	1,137,157

Similar annual savings would continue as long as the provisions of the resolution are in effect.

Source: Department of Health; Department of Human Services;
Secretary of State; State Property Tax Board;
LBB Staff: JO, JWH, AL, GR, BL

SENATE FAVORABLY AS SUBSTITUTED COMMITTEE REPORT

Lt. Governor William P. Hobby
President of the Senate

MARCH 22, 1989 - 3:20pm
(date)/(time)

Sir:

We, your Committee on STATE AFFAIRS to which was referred
SJR 34 by ARMBRISTER have on 3/20, 19 89, had the same
(measure) (sponsor) (hearing date)

under consideration and I am instructed to report it back with the recommendation (s) that it

- ☒ do pass as substituted, and be printed
 () the caption remained the same as original measure
 () the caption changed with adoption of the substitute
 () do pass as substituted, and be ordered not printed
 () and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. ☒ yes () no

A revised fiscal note was requested. () yes ☒ no

An actuarial analysis was requested. () yes ☒ no

Considered by subcommittee. () yes ☒ no

Senate Sponsor of House Measure _____

The measure was reported from Committee by the following vote:

	YEA	NAY	PNV	ABSENT
Montford, Chairman	<input checked="" type="checkbox"/>			
Henderson, Vice Chairman	<input checked="" type="checkbox"/>			
Armbrister	<input checked="" type="checkbox"/>			
Caperton	<input checked="" type="checkbox"/>			
Edwards	<input checked="" type="checkbox"/>			
Glasgow				<input checked="" type="checkbox"/>
Green	<input checked="" type="checkbox"/>			
Harris	<input checked="" type="checkbox"/>			
Leedom	<input checked="" type="checkbox"/>			
Lyon		<input checked="" type="checkbox"/>		
McFarland	<input checked="" type="checkbox"/>			
Parmer	<input checked="" type="checkbox"/>			
Washington				<input checked="" type="checkbox"/>
TOTAL VOTES	10	1	0	2

Morris Hicks
COMMITTEE CLERK

W. P. Montford
CHAIRMAN

Paper clip the original and one copy of this form along with TWO copies of the Committee Substitute to the original bill and retain one copy for Reporting Committee file.

AMEND THE CAPTION TO CONFORM
TO THE BODY OF THE BILL

ADOPTED

MAR 30 1989

Barry King
Secretary of the Senate

By: Armbrister

S.J.R. No. 34

Substitute the following for S.J.R. No. 34:

By:

C.S.S.J.R. No. 34

SENATE JOINT RESOLUTION

proposing a constitutional amendment relating to the authority of the legislature to provide by general or special law for the creation, establishment, maintenance, and operation of a hospital district.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article IX, Section 9, of the Texas Constitution is amended to read as follows:

Sec. 9. The Legislature may by general or special law provide for the creation, establishment, maintenance and operation of hospital districts composed of one or more counties or all or any part of one or more counties with power to issue bonds for the purchase, construction, acquisition, repair or renovation of buildings and improvements and equipping same, for hospital purposes; providing for the transfer to the hospital district of the title to any land, buildings, improvements and equipment located wholly within the district which may be jointly or separately owned by any city, town or county, providing that any district so created shall assume full responsibility for providing medical and hospital care for its needy inhabitants and assume the outstanding indebtedness incurred by cities, towns and counties for hospital purposes prior to the creation of the district, if same are located wholly within its boundaries, and a pro rata portion of such indebtedness based upon the then last approved tax assessment

rolls of the included cities, towns and counties if less than all the territory thereof is included within the district boundaries; ^{1/2} providing that after its creation no other municipality or political subdivision shall have the power to levy taxes or issue bonds or other obligations for hospital purposes or for providing medical care within the boundaries of the district; providing for the levy of annual taxes at a rate not to exceed seventy-five cents (75¢) on the One Hundred Dollar valuation of all taxable property within such district for the purpose of meeting the requirements of the district's bonds, the indebtedness assumed by it and its maintenance and operating expenses, providing that such district shall not be created or such tax authorized unless approved by a majority of the qualified voters [~~property--taxpaying--electors~~] thereof voting at an election called for the purpose; and providing further that the support and maintenance of the district's hospital system shall never become a charge against or obligation of the State of Texas nor shall any direct appropriation be made by the Legislature for the construction, maintenance or improvement of any of the facilities of such district.

Provided, however, that no district shall be created by special law except [~~by act of the Legislature and then only~~] after thirty (30) days' public notice to the district affected, and in no event may the Legislature provide for a district to be created without the affirmative vote of a majority of the qualified [~~taxpaying~~] voters in the district concerned.

1 The Legislature may also provide for the dissolution of
2 hospital districts provided that a process is afforded by statute
3 for: ^{1/2}

4 (1) determining the desire of a majority of the
5 qualified voters within the district to dissolve it;

6 (2) disposing of or transferring the assets, if any,
7 of the district; and

8 (3) satisfying the debts and bond obligations, if any,
9 of the district, in such manner as to protect the interests of the
10 citizens within the district, including their collective property
11 rights in the assets and property of the district, provided,
12 however, that any grant from federal funds, however dispensed,
13 shall be considered an obligation to be repaid in satisfaction and
14 provided that no election to dissolve shall be held more often than
15 once each year. In such connection, the statute shall provide
16 against disposal or transfer of the assets of the district except
17 for due compensation unless such assets are transferred to another
18 governmental agency, such as a county, embracing such district and
19 using such transferred assets in such a way as to benefit citizens
20 formerly within the district.

→ *Insert Floor Am. #1 (A)*
21 SECTION 3. This proposed constitutional amendment shall be
22 submitted to the voters at an election to be held on November 7,
23 1989. The ballot shall be printed to provide for voting for or
24 against the proposition: "The constitutional amendment granting to
25 the people the right to decide whether to create ^{and maintain} hospital districts

VL
C.S.S.J.R. No. 34

1 to protect the public well-being in a manner independent of the
2 legislature."

NR 22

ADOPTED

MAR 21 1989

Henry King
Secretary of the Senate

FLOOR AMENDMENT NO. 1

BY: *[Signature]*

Amend C.S.S.J.R. No. 34 as follows:

(1) Add a new SECTION 2 to read as follows:

SECTION 2. Article IX of the Texas Constitution is amended by adding Section 9B to read as follows:

Sec. 9B. The legislature by general or special law may provide for the creation, establishment, maintenance, and operation of hospital districts located wholly in a county with a population of 75,000 or less, according to the most recent federal decennial census, and may authorize the commissioners court to levy a tax on the ad valorem property located in the district for the support and maintenance of the district. A district may not be created or a tax levied unless the creation and tax are approved by a majority of the registered voters who reside in the district. The legislature shall set the maximum tax rate a district may levy. The legislature may provide that the county in which the district is located may issue general obligation bonds for the district and provide other services to the district. The district may provide hospital care, medical care, and other services authorized by the legislature.

(2) Renumber current SECTION 2 as SECTION 3 and insert the words "and maintain" in the ballot proposition between the words "whether to create" and "hospital districts."

Floor Am. #1
3/30/89
5-10-89

5-10-89

March 30 1989 Engrossed

Lacey Bau

Engrossing Clerk

I certify that the attached is a true and correct

copy of **STR 34**, which was
received from the Senate on **APR 3 - 1989** and

referred to the Committee on **County Affairs**

Betty M. Mearns
Chief Clerk of the House

By: Armbrister
(McKinney)

S.J.R. No. 34

SENATE JOINT RESOLUTION

proposing a constitutional amendment relating to the authority of the legislature to provide by general or special law for the creation, establishment, maintenance, and operation of a hospital district.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article IX, Section 9, of the Texas Constitution is amended to read as follows:

Sec. 9. The Legislature may by general or special law provide for the creation, establishment, maintenance and operation of hospital districts composed of one or more counties or all or any part of one or more counties with power to issue bonds for the purchase, construction, acquisition, repair or renovation of buildings and improvements and equipping same, for hospital purposes; providing for the transfer to the hospital district of the title to any land, buildings, improvements and equipment located wholly within the district which may be jointly or separately owned by any city, town or county, providing that any district so created shall assume full responsibility for providing medical and hospital care for its needy inhabitants and assume the outstanding indebtedness incurred by cities, towns and counties for hospital purposes prior to the creation of the district, if same are located wholly within its boundaries, and a pro rata portion of such indebtedness based upon the then last approved tax assessment rolls of the included cities, towns and counties if less than all the territory thereof is included within the district boundaries;

1 providing that after its creation no other municipality or
2 political subdivision shall have the power to levy taxes or issue
3 bonds or other obligations for hospital purposes or for providing
4 medical care within the boundaries of the district; providing for
5 the levy of annual taxes at a rate not to exceed seventy-five cents
6 (75¢) on the One Hundred Dollar valuation of all taxable property
7 within such district for the purpose of meeting the requirements of
8 the district's bonds, the indebtedness assumed by it and its
9 maintenance and operating expenses, providing that such district
10 shall not be created or such tax authorized unless approved by a
11 majority of the qualified voters [~~property--taxpaying--electors~~]
12 thereof voting at an election called for the purpose; and providing
13 further that the support and maintenance of the district's hospital
14 system shall never become a charge against or obligation of the
15 State of Texas nor shall any direct appropriation be made by the
16 Legislature for the construction, maintenance or improvement of any
17 of the facilities of such district.

18 Provided, however, that no district shall be created by
19 special law except [~~by act of the Legislature and then only~~] after
20 thirty (30) days' public notice to the district affected, and in no
21 event may the Legislature provide for a district to be created
22 without the affirmative vote of a majority of the qualified
23 [~~taxpaying~~] voters in the district concerned.

24 The Legislature may also provide for the dissolution of
25 hospital districts provided that a process is afforded by statute
26 for:

1 (1) determining the desire of a majority of the
2 qualified voters within the district to dissolve it;

3 (2) disposing of or transferring the assets, if any,
4 of the district; and

5 (3) satisfying the debts and bond obligations, if any,
6 of the district, in such manner as to protect the interests of the
7 citizens within the district, including their collective property
8 rights in the assets and property of the district, provided,
9 however, that any grant from federal funds, however dispensed,
10 shall be considered an obligation to be repaid in satisfaction and
11 provided that no election to dissolve shall be held more often than
12 once each year. In such connection, the statute shall provide
13 against disposal or transfer of the assets of the district except
14 for due compensation unless such assets are transferred to another
15 governmental agency, such as a county, embracing such district and
16 using such transferred assets in such a way as to benefit citizens
17 formerly within the district.

18 SECTION 2. Article IX of the Texas Constitution is amended
19 by adding Section 9B to read as follows:

20 Sec. 9B. The legislature by general or special law may
21 provide for the creation, establishment, maintenance, and operation
22 of hospital districts located wholly in a county with a population
23 of 75,000 or less, according to the most recent federal decennial
24 census, and may authorize the commissioners court to levy a tax on
25 the ad valorem property located in the district for the support and
26 maintenance of the district. A district may not be created for a

1 tax levied unless the creation and tax are approved by a majority
2 of the registered voters who reside in the district. The
3 legislature shall set the maximum tax rate a district may levy.
4 The legislature may provide that the county in which the district
5 is located may issue general obligation bonds for the district and
6 provide other services to the district. The district may provide
7 hospital care, medical care, and other services authorized by the
8 legislature.

9 SECTION 3. This proposed constitutional amendment shall be
10 submitted to the voters at an election to be held on November 7,
11 1989. The ballot shall be printed to provide for voting for or
12 against the proposition: "The constitutional amendment granting to
13 the people the right to decide whether to create and maintain
14 hospital districts to protect the public well-being in a manner
15 independent of the legislature."

LEGISLATIVE BUDGET BOARD

Austin, Texas

MAR 22 1989

FISCAL NOTE

March 21, 1989

TO: Honorable John T. Montford, Chairman In Re: Committee Substitute for
Committee on State Affairs Senate Joint
Senate Chamber Resolution No. 34
Austin, Texas

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Committee Substitute for Senate Joint Resolution No. 34 (proposing a constitutional amendment relating to the authority of the Legislature to provide by general or special law for the creation, establishment, maintenance, and operation of a hospital district) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would amend Article IX of the Constitution to authorize the Legislature to create hospital districts by general or special law. The proposed amendment would be submitted to the voters on November 7, 1989.

The cost of publication of the resolution to the State is estimated to be \$60,000.

The resolution would be implemented by a statute such as Committee Substitute for Senate Bill No. 907, as introduced, which authorizes local hospital districts to be created by action of a county commissioners court. The estimates below assume that 10 percent of the counties currently covered by the County Indigent Health Care Program (CIHP) would convert to hospital districts and would have eligibility criteria which parallels the eligibility criteria of the CIHP. The actual fiscal implication would be dependent upon the actions of the affected county commissioners courts.

The probable savings from implementing the provisions of the resolution during each of the first five years following passage is estimated as follows:

<u>Fiscal Year</u>	<u>Probable Savings to the General Revenue Fund</u>
1990	\$ -0-
1991	928,259
1992	993,237
1993	1,062,763
1994	1,137,157

Similar annual savings would continue as long as the provisions of the resolution are in effect.

The fiscal implication to units of local government cannot be determined.

Source: Department of Health; Department of Human Services;
Secretary of State; State Property Tax Board;
LBB Staff: JO, JWH, AL, GR, LV

LEGISLATIVE BUDGET BOARD

Austin, Texas

MAR 20 1989

FISCAL NOTE

March 20, 1989

TO: Honorable John T. Montford, Chairman
Committee on State Affairs
Senate Chamber
Austin, Texas

In Re: Senate Joint
Resolution No. 34
By: Armbrister

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Source: Department of Health; Department of Human Services;
Secretary of State; State Property Tax Board;
LBB Staff: JO, JWH, AL, GR, BL

HOUSE COMMITTEE REPORT

1st Printing

By: Armbrister
(McKinney)

S.J.R. No. 34

SENATE JOINT RESOLUTION

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4 medical care within the boundaries of the district; providing for
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14 for due compensation unless such assets are transferred to another
15 governmental agency, such as a county, embracing such district and
16 using such transferred assets in such a way as to benefit citizens
17 formerly within the district.

18 SECTION 2. Article IX of the Texas Constitution is amended
19 by adding Section 9B to read as follows:

20 Sec. 9B. The legislature by general or special law may
21 provide for the creation, establishment, maintenance, and operation
22 of hospital districts located wholly in a county with a population
23 of 75,000 or less, according to the most recent federal decennial
24 census, and may authorize the commissioners court to levy a tax on
25 the ad valorem property located in the district for the support and
26 maintenance of the district. A district may not be created for a

1 tax levied unless the creation and tax are approved by a majority
2 of the registered voters who reside in the district. The
3 legislature shall set the maximum tax rate a district may levy.
4 The legislature may provide that the county in which the district
5 is located may issue general obligation bonds for the district and
6 provide other services to the district. The district may provide
7 hospital care, medical care, and other services authorized by the
8 legislature.

9 SECTION 3. This proposed constitutional amendment shall be
10 submitted to the voters at an election to be held on November 7,
11 1989. The ballot shall be printed to provide for voting for or
12 against the proposition: "The constitutional amendment granting to
13 the people the right to decide whether to create and maintain
14 hospital districts to protect the public well-being in a manner
15 independent of the legislature."

COMMITTEE REPORT

The Honorable Gib Lewis
Speaker of the House of Representatives

5-2-89
(date)

Sir:

We, your COMMITTEE ON COUNTY AFFAIRS,

to whom was referred SJR 34 have had the same under consideration and beg to report
(measure)

back with the recommendation that it

☒ do pass, without amendment.

☐ do pass, with amendment(s).

☐ do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested. ☐ yes ☒ no

An actuarial analysis was requested. ☐ yes ☒ no

An author's fiscal statement was requested. ☐ yes ☒ no

A criminal justice policy impact statement was prepared. ☐ yes ☒ no

A water development policy impact statement was requested. ☐ yes ☒ no

☐ The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars for placement on the ☐ Local, ☐ Consent, or ☐ Resolutions Calendar.

This measure ☐ proposes new law. ☒ amends existing law.

House Sponsor of Senate Measure MS KINNEY

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Stiles, Ch.	X			
Campbell, V.C.	X			
Chisum	X			
Crawford	X			
Jones	X			
Linebarger				X
Melton				X
Robinson	X			
Soileau	X			
Wentworth	X			
Willy	X			

Total

9

aye

0

nay

0

present, not voting

2

absent

CHAIRMAN

COMMITTEE COORDINATOR

BILL ANALYSIS

By: ARMBRISTER-(MCKINNEY)

S.J.R. 34

BACKGROUND

Currently, if a county wishes to create a hospital district, specific legislation must be introduced to the Texas Legislature when in session every odd numbered year.

PURPOSE

S.J.R. 34 would provide for a constitutional amendment to allow the Texas Legislature to create a general or special law to allow for the creation and operation of a hospital district without specific legislation having to be introduced every odd numbered year.

RULEMAKING AUTHORITY

It is the opinion of this committee that S.J.R. 34 would delegate rulemaking authority to the Texas Legislature through legislation creating rules and operating procedures for hospital districts.

SECTION-BY-SECTION ANALYSIS

SECTION 1. Amends Article IX, Section 9, Texas Constitution. Section 9 allows the Legislature to provide by general or special law for the creation and operation of hospital districts. The creation of a district must be approved by a majority of qualified voters. No district may be created by special law unless public notice is given to the district affected thirty days in advance and the Legislature may not allow a district to be created unless approved by a majority of qualified voters in the district concerned.

SECTION 2. Provides that this proposed constitutional amendment must be submitted to the voters at an election to be held on November 7, 1989. A ballot must be printed to provide for voting for or against the proposal.

SUMMARY OF COMMITTEE ACTION

H.J.R. 85 the House companion to S.J.R. 34 was considered in a public hearing on April 4, 1989 and reported favorably to the House. S.J.R. 34 was considered by the committee on May 2, 1989. The motion to report S.J.R. 34 favorably to the full House with the recommendation that it do pass prevailed with a vote of 9 Ayes, 0 Nays, 0 PNV, and 2 Absent.

Committee on County Affairs

05/02/89

SEM

2

LEGISLATIVE BUDGET BOARD
Austin, Texas

MAR 22 1989

FISCAL NOTE
March 21, 1989

TO: Honorable John T. Montford, Chairman
Committee on State Affairs
Senate Chamber
Austin, Texas

In Re: Committee Substitute for
Senate Joint
Resolution No. 34

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Committee Substitute for Senate Joint Resolution No. 34 (proposing a constitutional amendment relating to the authority of the Legislature to provide by general or special law for the creation, establishment, maintenance, and operation of a hospital district) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would amend Article IX of the Constitution to authorize the Legislature to create hospital districts by general or special law. The proposed amendment would be submitted to the voters on November 7, 1989.

The cost of publication of the resolution to the State is estimated to be \$60,000.

The resolution would be implemented by a statute such as Committee Substitute for Senate Bill No. 907, as introduced, which authorizes local hospital districts to be created by action of a county commissioners court. The estimates below assume that 10 percent of the counties currently covered by the County Indigent Health Care Program (CIHP) would convert to hospital districts and would have eligibility criteria which parallels the eligibility criteria of the CIHP. The actual fiscal implication would be dependent upon the actions of the affected county commissioners courts.

The probable savings from implementing the provisions of the resolution during each of the first five years following passage is estimated as follows:

<u>Fiscal Year</u>	<u>Probable Savings to the General Revenue Fund</u>
1990	\$ -0-
1991	928,259
1992	993,237
1993	1,062,763
1994	1,137,157

Similar annual savings would continue as long as the provisions of the resolution are in effect.

The fiscal implication to units of local government cannot be determined.

Source: Department of Health; Department of Human Services;
Secretary of State; State Property Tax Board;
LBB Staff: JO, JWH, AL, GR, LV

LEGISLATIVE BUDGET BOARD

Austin, Texas

MAR 20 1989

FISCAL NOTE

March 20, 1989

TO: Honorable John T. Montford, Chairman
Committee on State Affairs
Senate Chamber
Austin, Texas

In Re: Senate Joint
Resolution No. 34
By: Armbrister

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 34 (proposing a constitutional amendment relating to the authority of the Legislature to provide by general or special law for the creation, establishment, maintenance, and operation of a hospital district) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would amend Article IX of the Constitution to authorize the Legislature to create hospital districts by general or special law. The proposed amendment would be submitted to the voters on November 7, 1989.

The cost of publication of the resolution to the State is estimated to be \$60,000.

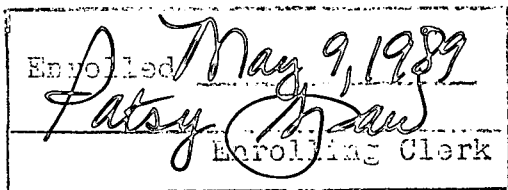
The resolution would be implemented by a statute such as Senate Bill No. 907 which authorizes local hospital districts to be created by action of a county commissioners court. The estimates below assume that 10 percent of the counties currently covered by the County Indigent Health Care Program (CIHP) would convert to hospital districts and would have eligibility criteria which parallels the eligibility criteria of the CIHP. The actual fiscal implication would be dependent upon the actions of the affected county commissioners courts.

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Similar annual savings would continue as long as the provisions of the resolution are in effect.

Source: Department of Health; Department of Human Services;
Secretary of State; State Property Tax Board;
LBB Staff: JO, JWH, AL, GR, BL



S.J.R. No. 34

SENATE JOINT RESOLUTION

proposing a constitutional amendment relating to the authority of the legislature to provide by general or special law for the creation, establishment, maintenance, and operation of a hospital district.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article IX, Section 9, of the Texas Constitution is amended to read as follows:

Sec. 9. The Legislature may by general or special law provide for the creation, establishment, maintenance and operation of hospital districts composed of one or more counties or all or any part of one or more counties with power to issue bonds for the purchase, construction, acquisition, repair or renovation of buildings and improvements and equipping same, for hospital purposes; providing for the transfer to the hospital district of the title to any land, buildings, improvements and equipment located wholly within the district which may be jointly or separately owned by any city, town or county, providing that any district so created shall assume full responsibility for providing medical and hospital care for its needy inhabitants and assume the outstanding indebtedness incurred by cities, towns and counties for hospital purposes prior to the creation of the district, if same are located wholly within its boundaries, and a pro rata portion of such indebtedness based upon the then last approved tax assessment rolls of the included cities, towns and counties if less than all the territory thereof is included within the district boundaries;

1 providing that after its creation no other municipality or
2 political subdivision shall have the power to levy taxes or issue
3 bonds or other obligations for hospital purposes or for providing
4 medical care within the boundaries of the district; providing for
5 the levy of annual taxes at a rate not to exceed seventy-five cents
6 (75¢) on the One Hundred Dollar valuation of all taxable property
7 within such district for the purpose of meeting the requirements of
8 the district's bonds, the indebtedness assumed by it and its
9 maintenance and operating expenses, providing that such district
10 shall not be created or such tax authorized unless approved by a
11 majority of the qualified voters [~~property--taxpaying--electors~~]
12 thereof voting at an election called for the purpose; and providing
13 further that the support and maintenance of the district's hospital
14 system shall never become a charge against or obligation of the
15 State of Texas nor shall any direct appropriation be made by the
16 Legislature for the construction, maintenance or improvement of any
17 of the facilities of such district.

18 Provided, however, that no district shall be created by
19 special law except [~~by-act-of-the-Legislature-and-then-only~~] after
20 thirty (30) days' public notice to the district affected, and in no
21 event may the Legislature provide for a district to be created
22 without the affirmative vote of a majority of the qualified
23 [~~taxpaying~~] voters in the district concerned.

24 The Legislature may also provide for the dissolution of
25 hospital districts provided that a process is afforded by statute
26 for:

1 (1) determining the desire of a majority of the
2 qualified voters within the district to dissolve it;

3 (2) disposing of or transferring the assets, if any,
4 of the district; and

5 (3) satisfying the debts and bond obligations, if any,
6 of the district, in such manner as to protect the interests of the
7 citizens within the district, including their collective property
8 rights in the assets and property of the district, provided,
9 however, that any grant from federal funds, however dispensed,
10 shall be considered an obligation to be repaid in satisfaction and
11 provided that no election to dissolve shall be held more often than
12 once each year. In such connection, the statute shall provide
13 against disposal or transfer of the assets of the district except
14 for due compensation unless such assets are transferred to another
15 governmental agency, such as a county, embracing such district and
16 using such transferred assets in such a way as to benefit citizens
17 formerly within the district.

18 SECTION 2. Article IX of the Texas Constitution is amended
19 by adding Section 9B to read as follows:

20 Sec. 9B. The legislature by general or special law may
21 provide for the creation, establishment, maintenance, and operation
22 of hospital districts located wholly in a county with a population
23 of 75,000 or less, according to the most recent federal decennial
24 census, and may authorize the commissioners court to levy a tax on
25 the ad valorem property located in the district for the support and
26 maintenance of the district. A district may not be created or a

1 tax levied unless the creation and tax are approved by a majority
2 of the registered voters who reside in the district. The
3 legislature shall set the maximum tax rate a district may levy.
4 The legislature may provide that the county in which the district
5 is located may issue general obligation bonds for the district and
6 provide other services to the district. The district may provide
7 hospital care, medical care, and other services authorized by the
8 legislature.

9 SECTION 3. This proposed constitutional amendment shall be
10 submitted to the voters at an election to be held on November 7,
11 1989. The ballot shall be printed to provide for voting for or
12 against the proposition: "The constitutional amendment granting to
13 the people the right to decide whether to create and maintain
14 hospital districts to protect the public well-being in a manner
15 independent of the legislature."

S.J.R. No. 34

President of the Senate

Speaker of the House

I hereby certify that S.J.R. No. 34 was adopted by the Senate on March 30, 1989, by the following vote: Yeas 29, Nays 0.

Secretary of the Senate

I hereby certify that S.J.R. No. 34 was adopted by the House on May 8, 1989, by the following vote: Yeas 137, Nays 0, one present not voting.

Chief Clerk of the House

LEGISLATIVE BUDGET BOARD

Austin, Texas

MAR 22 1989

FISCAL NOTE

March 21, 1989

TO: Honorable John T. Montford, Chairman In Re: Committee Substitute for
Committee on State Affairs Senate Joint
Senate Chamber Resolution No. 34
Austin, Texas

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Committee Substitute for Senate Joint Resolution No. 34 (proposing a constitutional amendment relating to the authority of the Legislature to provide by general or special law for the creation, establishment, maintenance, and operation of a hospital district) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would amend Article IX of the Constitution to authorize the Legislature to create hospital districts by general or special law. The proposed amendment would be submitted to the voters on November 7, 1989.

The cost of publication of the resolution to the State is estimated to be \$60,000.

The resolution would be implemented by a statute such as Committee Substitute for Senate Bill No. 907, as introduced, which authorizes local hospital districts to be created by action of a county commissioners court. The estimates below assume that 10 percent of the counties currently covered by the County Indigent Health Care Program (CIHP) would convert to hospital districts and would have eligibility criteria which parallels the eligibility criteria of the CIHP. The actual fiscal implication would be dependent upon the actions of the affected county commissioners courts.

The probable savings from implementing the provisions of the resolution during each of the first five years following passage is estimated as follows:

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Similar annual savings would continue as long as the provisions of the resolution are in effect.

The fiscal implication to units of local government cannot be determined.

Source: Department of Health; Department of Human Services;
Secretary of State; State Property Tax Board;
LBB Staff: JO, JWH, AL, GR, LV

LEGISLATIVE BUDGET BOARD

Austin, Texas

MAR 20 1989

FISCAL NOTE

March 20, 1989

TO: Honorable John T. Montford, Chairman
Committee on State Affairs
Senate Chamber
Austin, Texas

In Re: Senate Joint
Resolution No. 34
By: Armbrister

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 34 (proposing a constitutional amendment relating to the authority of the Legislature to provide by general or special law for the creation, establishment, maintenance, and operation of a hospital district) this office has determined the following:

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Source: Department of Health; Department of Human Services;
Secretary of State; State Property Tax Board;
LBB Staff: JO, JWH, AL, GR, BL

11
cc

S.J.R. No. 34

President of the Senate

Speaker of the House

I hereby certify that S.J.R. No. 34 (1) was adopted by the
Senate on March 30 (2), 1987, by the following vote:
Yeas 29 (3), Nays 0 (4).

Secretary of the Senate

I hereby certify that S.J.R. No. 34 (1) was adopted by the
House on May 8 (5), 1987, by the following vote:
Yeas 137 (6), Nays 0 (7), one present not voting.

Chief Clerk of the House

SENATE JOINT RESOLUTION

proposing a constitutional amendment relating to the authority of the legislature to provide by general or special law for the creation, establishment, maintenance, and operation of a hospital district.

3-6-89 Filed with the Secretary of the Senate
MAR 7 1989 Read and referred to Committee on STATE AFFAIRS
 _____ Reported favorably _____
MAR 21 1989 Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.
 _____ Ordered not printed
 _____ Laid before the Senate
MAR 30 1989 Senate and Constitutional Rules to permit consideration suspended by: unanimous consent
 _____ years, _____ nays
MAR 30 1989 Read second time, amended and ordered engrossed by: unanimous consent
a viva voce vote
 _____ years, _____ nays
MAR 30 1989 Caption ordered amended to conform to the body of the bill.
MAR 30 1989 Senate and Constitutional 3 Day Rule suspended by a vote of 28 yeas, 1 nays.
MAR 30 1989 Read third time, _____, and passed by 29 yeas, 0 nays.

Betty King
 SECRETARY OF THE SENATE

OTHER ACTION:

March 30, 1989 Engrossed
4-3-89 Sent to House
Patsy Saw
 Engrossing Clerk
APR 3 1989 Received from the Senate
APR 5 1989 Read first time and referred to Committee on County Affairs
MAY 2 1989 Reported favorably amended, sent to Printer 6:00 pm
MAY 3 1989 Printed and Distributed 7:54 pm MAY 3 1989
MAY 4 1989 Sent to Committee on Calendars 11:52 am
MAY 8 1989 Read second time (amended) and finally adopted
~~failed adoption~~ by Record Vote of 137 yeas, 0 nays, 1 present not voting.
 _____ Read third time (amended) and finally adopted
 failed adoption by a Record Vote of _____ yeas, _____ nays, _____ present not voting.
 _____ Caption ordered amended to conform to body of resolution
MAY 9 1989 Returned to Senate.

Betty Murray
 CHIEF CLERK OF THE HOUSE

MAY 9 1989 Returned from House without amendment.
 _____ Returned from House with _____ amendments.
 _____ Concurred in House amendments by a viva voce vote _____ yeas, _____ nays.

_____ Refused to concur in House amendments and requested the appointment of a Conference Committee to adjust the differences.

_____ Senate conferees instructed.

_____ Senate conferees appointed: _____, Chairman; _____,
_____, _____, and _____

_____ House granted Senate request. House conferees appointed: _____, Chairman;
_____, _____, _____.

_____ Conference Committee Report read and filed with the Secretary of the Senate.

_____ Conference Committee Report adopted on the part of the House by: _____

{ a viva voce vote
_____ yeas, _____ nays

_____ Conference Committee Report adopted on the part of the Senate by: _____

{ a viva voce vote
_____ yeas, _____ nays

OTHER ACTION:

_____ Recommitted to Conference Committee

_____ Conferees discharged

_____ Conference Committee Report failed of adoption by: _____

{ a viva voce vote
_____ yeas, _____ nays

65 MAY -3 PM 7:54